

## DRAFT RCRA INSPECTION REPORT

**Cosan Chemical Corporation**

**400 14<sup>th</sup> St**

**Carlstadt, NJ 07072**

**NJD064332273**

**Date of Inspection:** 09-20-2010 of the FY2009 FA Instrument

**EPA Inspectors:** Norman A. Rost, USEPA - Region 2

**Type of Inspection:** RCRA FRR

**Facility EPA ID #:** NJD064332273

**Facility Representative(s):**

Mr. Gregory Sargen, VP and CFO

Cambrex Corp

One Meadowlands Plaza

East Rutherford, NJ 07073

**Facility's Mailing Address/Contact Information:**

Cambrex Corp

One Meadowlands Plaza

East Rutherford, NJ 07073

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**RCRA Compliance Category:** Cosan Chemical Corporation is using a corporate guarantee from its parent company, Cambrex Corporation, to provide financial assurance for corrective action at its facility located in Carlstadt, New Jersey.

**Facility Closure/Post Closure/Corrective Action Cost FY2009 Estimates:**

	Closure	Post Closure	Correct Action	S/N Liability
NJD064332273 – Carlstadt	n/a	n/a	\$1,500,000	n/a

**Scope of Inspection:**

The submitted financial instrument was reviewed for the following requirements:

- (1) Timeliness of Submittal as per **7:26C-5.8(d)2 Remediation cost review** Financial Requirements;
- (2) Compliance with Financial requirements of **N.J.A.C. 7.26C-5.8**

**Inspection Findings (\* Indicates Potential Violations):**

(1) Timeliness of Submittal as per **7:26C-5.8(d)2 Remediation cost review** Financial Requirements;

Cambrex Corp submitted their self-guarantee on June 4, 2009 which replaces a Line of Credit for the same facility. This replacement FA instrument from Cambrex for Cosan Chemical was replaced within one year of the Line of Credit to expire July 1, 2009.

(2) Compliance with Financial requirements of **N.J.A.C. 7.26C-5.8**

The NJ self-guarantee regulations require the company to maintain a tangible net worth three times greater than the estimated costs of remediation. Cambrex Corporation, however, reports their net worth instead of tangible net worth (bad wording by NJDEP instrument).

Notwithstanding the incorrect valuation reported in their filing, the company's tangible net worth, as calculated from its audited financial statements for the fiscal year ending December 31, 2008, is \$39,412,000. This amount is still greater than three times the corrective action cost estimate of \$1.5 million, as required by the New Jersey regulations.

While the corporate guarantee submission cites the old regulatory requirements at N.J.A.C. 7:26C-7.7, it comports with the current regulatory requirements at N.J.A.C. 7.26C-5.8, with the exception of the reporting of net worth instead of tangible net worth, as discussed above.

**Suggested Follow-Up:** The financial assurance submission for FY008 is complete and satisfactory. No further action required.